



## **The Chhattisgarh Non-Government Colleges and Institutions in Higher Education (Establishment and Regulation) Act, 2006**

**Act 25 of 2006**

### **Keyword(s):**

**Aided College, College Code, College, Educational Agency, Foundation Society, General Education, Governing Body, Higher Education Department, Institution, Management, Non-aided College, Teacher, University**

**DISCLAIMER:** This document is being furnished to you for your information by PRS Legislative Research (PRS). The contents of this document have been obtained from sources PRS believes to be reliable. These contents have not been independently verified, and PRS makes no representation or warranty as to the accuracy, completeness or correctness. In some cases the Principal Act and/or Amendment Act may not be available. Principal Acts may or may not include subsequent amendments. For authoritative text, please contact the relevant state department concerned or refer to the latest government publication or the gazette notification. Any person using this material should take their own professional and legal advice before acting on any information contained in this document. PRS or any persons connected with it do not accept any liability arising from the use of this document. PRS or any persons connected with it shall not be in any way responsible for any loss, damage, or distress to any person on account of any action taken or not taken on the basis of this document.

रायपुर, दिनांक 31 अगस्त 2006

क्रमांक 11926/290/21-आ/प्रारूपण/06.—भारत के संविधान के अनुच्छेद 348 के खण्ड (3) के अनुसरण में छत्तीसगढ़ अशासकोश महाविद्यालय और संस्था (स्थापना एवं विनियमन) अधिनियम, 2006 (क्र. 25 सन् 2006) का अंग्रेजी अनुवाद राज्यपाल के प्राधिकार से एतद्वारा प्रकाशित किया जाता है।

छत्तीसगढ़ के राज्यपाल के नाम से तथा आदेशानुसार,  
विपला सिंह कपूर, दृष्टि-सचिव,

**CHHATTISGARH ACT  
(No. 25 of 2006)**

**THE CHHATTISGARH NON-GOVERNMENT COLLEGES AND INSTITUTIONS IN HIGHER EDUCATION (ESTABLISHMENT AND REGULATION) ACT, 2006**

**CONTENTS**

**CHAPTER I— PRELIMINARY**

**SECTION:**

1. Short Title and commencement
2. Application of the Act
3. Definitions

**CHAPTER II - ESTABLISHMENT OF NON-GOVERNMENT COLLEGES AND INSTITUTIONS IN HIGHER EDUCATION**

4. Non-government colleges and institutions of higher education not to be established except after permission
5. Special provisions in respect of existing institutions
6. Permission for establishment of educational institutions
7. Application for grant of permission
8. Corpus fund
9. Extent of land and accommodation to be provided
10. Requirement as to location of the institution
11. Inspection
12. Grant of permission
13. No permission for up gradation
14. Application for initiating further new courses, facilities and classes
15. Special incentives in certain cases
16. Permitted institutions to seek affiliation from concerned University
17. No affiliation without permission
18. Restriction on shifting and transfer of permitted institutions

- 19. Withdrawal of permission
- 20. Control over examination system
- 21. Restriction on change of nature
- 22. Regulation of admission
- 23. Fee structure
- 24. Restriction on commercial use of land and building
- 25. Restriction on the use of income
- 26. Constitution of the cell

**CHAPTER - III RECRUITMENT, PROMOTION AND SERVICE  
CONDITIONS ETC. OF TEACHERS AND EMPLOYEES IN  
AIDED INSTITUTIONS**

**SECTION - IV**

- 27. Recruitment of teachers and employees
- 28. Promotion
- 29. Service conditions of teachers and employees

**CHAPTER- IV GRANT -IN - AID**

- 30. Grant in aid
- 31. Types of grant
- 32. Application for grant
- 33. Form and declaration of grant
- 34. Sanctioning authority for grant
- 35. Restrictions as to assistant grant on salary
- 36. Audit
- 37. Power to withhold, withdraw, suspend, reduce or recover the grants
- 38. Lapse of grant

**CHAPTER -V INSTITUTIONAL FUNDS, ACCOUNTS AND  
PROCEDURE FOR PAYMENT OF SALARIES IN SALARY  
AIDED COLLEGES**

- 39. Existing set up to be preserved
- 40. Educational institution receiving grant in aid not to be discontinued
- 41. Payment of dearness allowance
- 42. Management of institution receiving grant
- 43. Constitution of institutional fund
- 44. Operation of fund
- 45. Pass book
- 46. Teachers and other employees to open two accounts
- 47. Checking of bills prior to signature
- 48. Provision for pay slip to teachers and employees
- 49. Fees
- 50. Account of fees retained to be maintained separately

51. Maintenance of account  
52. Annual audit of accounts

**CHAPTER – VI ON CLOSURE, REQUISITION OF PROPERTY  
AND MANAGEMENT OF AIDED COLLEGES.**

53. Non-government institution not to be closed down etc. without notice  
54. Management to hand over properties, records etc. to competent authority on closure etc. of non-government institution  
55. Restriction on alienation of property of non-government institution  
56. Permission to alienation  
57. Liability of management to repay debts incurred in certain cases  
58. Furnishing of returns etc.  
59. Powers of entry and inspection and calling for information  
60. Posts of employees of educational institutions vested under this chapter to be treated as a unit for certain purposes

**CHAPTER-VII AD-HOC ASSISTANCE GRANT TO NON-AIDED COLLEGES**

61. Ad-hoc grant  
62. Eligibility for ad-hoc assistance grant  
63. Disqualification  
64. Priority  
65. Limitations to grant  
66. Application for the grant  
67. Liability on accepting grant

**CHAPTER –VIII MISCELLANEOUS PROVISIONS**

68. Power to make rules  
69. Inspection of educational institutions  
70. Laying down of rules in certain cases  
71. Protection of acts done in good faith  
72. Savings and repeal  
73. Power to exempt any institution from the provision of the Act  
74. Recovery of certain sums as arrear of land revenue  
75. Power to remove difficulties

**CHHATTISGARH ACT**  
**(No. 25 of 2006)**

**THE CHHATTISGARH NON-GOVERNMENT COLLEGES AND INSTITUTIONS IN  
 HIGHER EDUCATION (ESTABLISHMENT AND REGULATION) ACT, 2006**

An Act to provide for regulation of the establishment and working of the Non-Governmental Colleges and Institutions of Higher education.

Be it enacted by the Legislature of the State of Chhattisgarh in the fifty seventh year of the Republic of India as follows:

**CHAPTER I**

**PRELIMINARY**

**1. Short Title and  
 Commencement:**

- (1) This act may be called "the Chhattisgarh Non-Government Colleges and Institutions in Higher Education (Establishment and Regulation) Act, 2006"
- (2) It shall come into force from the date of its publication in the Official Gazette.
- (3) It extends to the whole State of Chhattisgarh.

**2. Application of  
 the Act:**

This Act applies to all the private colleges and/or the institutions of Higher Education aided in full or in part or unaided by the Government of Chhattisgarh and situated within the state of Chhattisgarh imparting general education within the concept of University Grants Commission and under recognition from the Department of Higher Education of the State Government.

**3. Definitions:**

In this Act, unless the context otherwise requires:—

- (1) "Ad-hoc grant" means the grant sanctioned by the State Government with regard to certain specified purposes under the provisions made therefor;
- (2) "Aided College" means any college or Institute aided financially regularly by the maintenance grant sanctioned by the Government of Chhattisgarh;
- (3) "College Code" means the provisions contained under statute No:- 28 of the Chhattisgarh

Vishwavidyalaya Adhiniyam, 1973 (No.22 of 1973);

- (4) "College" means a private, aided or non-aided institution of teaching duly maintained by or admitted to the privileges of the University by or under the provisions of Chhattisgarh Vishwavidyalaya Adhiniyam, 1973, running with the institutional title of a college or being other than the 'College', but by nature, working, scope and criteria, which falls within the concept of a college in Higher Education;
- (5) "Commissioner" means the Commissioner of Higher Education or the officer of authority to whom powers have been delegated on his behalf by the Government or by the Commissioner;
- (6) "Competent Authority" means an authority specified as a Competent Authority by the Government by notification to perform the function of the Competent authority under the Act for such area or for such purposes as may be specified in the notification;
- (7) "Educational Agency" means the educational committee, society, trust or association sponsoring, managing, administering, controlling, or running a non-Government educational institution in higher education, unless otherwise specifically mentioned;
- (8) "Employee" means a member of the staff, teaching or non-teaching, employed by a college or an institution of higher education, whether aided or non-aided;
- (9) "Foundation Society" means a body of persons registered or incorporated by law for registration and, statutory incorporation, which funds and maintains an educational institution admitted to seeking admission to the privilege of the University and where the governing body of this society is superseded under section 33 of the Chhattisgarh Society Registrakaran Adhiniyam, 1973 the person or persons appointed by the State Government to manage the affairs of the society;

- (10) "*General Education*" means every branch of education other than technical education and includes special education;
- (11) "*Governing body*" means the governing body constituted in accordance with the provision of the college code statute;
- (12) "*Government*" means, unless specified otherwise, the Government of Chhattisgarh.
- (13) "*Grant*" means the financial grant provided by the State Government to the educational institutions to promote and maintain academic standards and infrastructure by way of maintenance (salary) grant, ad-hoc grant, or in any other shape as the case may be;
- (14) "*Higher Education Department*" means the Department of Higher Education functioning under the Government;
- (15) "*Inspection*" means the scrutiny of records, registers and checking of physical specifications as determined by the Competent Authority in regard to building, libraries, laboratories, playgrounds and other allied matters and overall appraisal of the educational institutions and its functionaries in the development of the institution;
- (16) "*Institution*" means College;
- (17) "*Maintenance/Salary Grant*" means the grant payable regularly for the teachers and employees of the aided colleges by the State Government for their salaries and allowances etc.;
- (18) "*Management*" means in relation to any institution, the governing body there of within the meaning of the Chhattisgarh Society Registrarian Adhiniyam, 1973 (No. 44 of 1973), and the expression management of the institution shall be construed accordingly;
- (19) "*Non Government College*" means a college managed and run by any group of the persons, trust, or society beyond the direct administrative control of the Government;
- (20) "*Non-aided College*" means a college other than the aided college or institution;

(21) "President of the foundation Society" means a person who is duly elected as its president (by whatever name called) by the foundation society and is the exclusive head thereof and when the society is superseded under section 31 for the Society Registrakaran Adhiniyam, 1973 the person or the head of the body of the persons appointed by the State Government to manage the affairs of the society;

(22) "Teacher" means any member of the teaching staff in an education institution appointed to give instruction in that institution;

(23) "University" means a University established or incorporated by or under a Central Act, a Provincial Act or State Act, and includes any such institution as may, in consultation with the University concerned, be recognised by the Commission in accordance with the regulations made in this behalf under the University Grants Commission Act, 1956 and working under the jurisdiction of the State of Chhattisgarh.

**CHAPTER II**  
**ESTABLISHMENT OF NON-GOVERNMENT COLLEGES AND**  
**INSTITUTIONS IN HIGHER EDUCATION**

*4. Non-Government Colleges and Institutions of Higher Education not to be established except after permission:*

No educational institution shall be established except in accordance with the provisions of this act and any person who contravenes the provisions of this section or who after the permission granted to him under this section having been cancelled continues to run such institution shall be punished with simple imprisonment which shall not be less than six months but which may extend to three years and with fine which shall not be less than three thousand rupees but which may extend up to fifty thousand rupees.

*5. Special provisions in respect of existing institutions:*

The institutions imparting education, which were established and recognised in accordance with rules in force immediately before the commencement of the said act and in existence at such commencement shall be deemed to be educational institutions, established and

recognized under the said Act, provided that they comply with the provisions of the said act and the rules made there under, within such period and in accordance with such procedure as may be prescribed;

Provided that any private institution imparting education which is in existence at the commencement of the said Act but which has not been recognized in accordance with the rules in force immediately before such commencement, shall make an application for recognition in accordance with the provisions of the said Act and the rules made there under and every such application shall be disposed of within sixty days of its receipt by the Competent Authority.

**6. Permission for establishment of educational institutions:**

The competent authority shall, from time to time, conduct a survey as to identify the educational needs of the locality under its jurisdiction, and notify in the prescribed manner through the local newspapers calling for applications for permission to,—

- (a) establish an institution imparting education; or
- (b) open higher classes in an institution imparting higher education; or
- (c) open new course (Certificate, Diploma, Degree, Post- Graduate Degree Courses, etc.).

**7. Application for grant of permission:**

Any society registered under the provisions of the Chhattisgarh Society Registrarkaran Adhiniyam, 1973 desirous to open a college may make an application, in the manner prescribed on this behalf, not later than the 31<sup>st</sup> October of the year preceding the academic year in which the institution is proposed to be opened, to the Commissioner along with,—

- (a) the proof of registration of the society;
- (b) the details of the management and the managing body concerned;
- (c) the details of the funds available with the society supported by their respective proofs;
- (d) the details of the land and buildings having space for office, classrooms, laboratories, common-room, games and sports etc. with basic amenities as of toilets, water and electricity. Documented proof in support of ownership, hire or lease should be

submitted. It should be ensured that such provisions are made for at least five years;

- (e) the details of immoveable property required to run the institution, such as furniture and equipments for the office, classes, laboratories, common-room etc;
- (f) constitution of the incorporated body which should necessarily contain along with its other provisions, the description of management and its committees and the rules and regulations, procedures for administrative and financial management of the proposed institution;
- (g) a copy of the tentative budget for three years showing the proposed revenue and expenditure;
- (h) a copy of the proposed faculties and classes;
- (i) permission of the competent authorities for land acquired and the buildings for constructions with approved plans;
- (j) availability of facilities of higher education within a radius of 20 km. of the area proposed;
- (k) availability of the proposed courses in the institutions within the area proposed;
- (l) feasibility report as to:-
  - (i) need for providing educational facilities to the people in the locality;
  - (ii) adequacy of financial provisions for continued and efficient maintenance of the institution as prescribed by the Competent Authority;
  - (iii) location is sanitarily fit with healthy surroundings.

**8. Corpus Fund:**

- (1) The corpus fund (endowment) as may be prescribed, shall be deposited by the educational agency according to the procedure prescribed before the Commissioner of Higher Education accords permission for establishment of the institution.
- (2) The educational agency of the private institution shall deposit the corpus fund (endowment) in the joint account of the management and the Government represented by the Commissioner of

Higher Education concerned, in any nationalized bank. Under no circumstances, the corpus fund deposited shall be permitted to be withdrawn. The Government may, however, permit the educational agency, to utilize the interest part, for the development of the institution every five years.

However, in exceptional cases the educational agency, may request the Commissioner of Higher Education to reduce this time interval to three years.

Nevertheless, this period in any case shall not be less than three years, with certain laid down conditions.

**9. Extent of land and accommodation to be provided:**

The extent of land and accommodation to be provided by the educational institutions shall be as prescribed.

Furthermore, the educational agency shall provide suitable buildings for accommodating the proposed institution as per the specifications laid down by the State Government.

**10. Requirements as to location of the institution:**

It shall be mandatory for the educational agency to have its own permanent structure on its own land.

However, if it is not possible then the educational agency, may request the Commissioner of Higher Education, who may permit after noting down the reasons:-

(a) If the institution is proposed to be located within the premises of an institution belonging to the zila panchayat or the municipality concerned, the educational agency shall get the prior permission of the zila panchayat or the municipality concerned, as the case may be, to locate the proposed institution and to utilize the facilities like accommodation, furniture, library, laboratory, playground, etc. belonging to the already existing institution until separate accommodation etc. are provided for the proposed institution. The educational agency shall send the letter of permission along-with the application for the establishment of the institution. The educational agency shall take necessary steps to provide necessary accommodation and other facilities exclusive for the proposed institution, at the earliest;

However, it shall be mandatory for the educational agency to provide separate accommodation to the institution being run by it within five years. In case the educational agency fails to provide the said facility within the stipulated time, the permission granted to run the institution shall stand withdrawn automatically.

However, it shall be at the discretion of the educational agency as to which institution it wants to run at the said venue;

- (b) If the private institution is proposed to be located in a private accommodation, the Commissioner of Higher Education may permit the educational agency to do so provided that a lease hold building suitable for accommodating the institutions is acquired and that a lease-deed for a period of not less than five years is produced. The educational agency shall also produce documentary evidence to show that they have the requisite land and funds to construct the buildings and that they are prepared to construct the said buildings within a period of ten years at the latest;
- (c) If the private educational institution is proposed to be located within the premises of an already existing institution, the educational agency shall provide necessary accommodation and other facilities like furniture, library, laboratory, etc. exclusively for the use of the proposed institution, as per the specifications laid down by the Department of Higher Education and or University concerned;
- (d) If the institution is proposed to be located in a building donated by a donor, then the necessary documentary proof shall be produced;
- (e) If the institution is proposed to be located in a place not covered by any of the clauses cited above, then the decision of the Commissioner of Higher Education shall be final;
- (f) Priority shall be accorded to the educational agency who wants to open institutions of higher learning in the following areas:-

- (i) Blocks where there are no facilities for higher education;
- (ii) Remote areas of the state not accessible;
- (iii) Inter state border areas where educational institution do not exist on either side;
- (iv) Physical distance exceeds 30 km. from the next existing seat of higher learning. However, in exceptional cases the distance could be reduced to 20 km.;
- (v) Tribal blocks where the population of the Scheduled Tribes exceeds 50%.
- (vi) Urban areas where higher educational institutions do not exist in consonance with population density;
- (vii) Where literary rate is very low with special reference to percentage of literacy in higher education for women;
- (viii) Where the educational agency plans to start residential colleges in the tribal blocks.  
However, the educational agency can approach the Government for private public participation for starting residential colleges in the tribal blocks.

**11. Inspection:**

The Competent Authority, on being satisfied with the contents of the application shall nominate a committee of experts in the manner prescribed, to inspect the proposed institution of higher education within 45 days of the receipt of the application. In order to find out the extent of fulfillment of the conditions prescribed on a convenient date to both the parties, the committee shall visit the institution and will submit its report within a month giving its findings and remarks so as to grant permission or not. Further, the report shall also specifically state the subjects, course of study, the number of students for admission and the conditions if any, which may be stipulated while granting, or for granting the permission.

**12. Grant of Permission:**

- (1) On receipt of inspection report recommending grant of permission, the Competent Authority shall proceed to grant permission unless it is satisfied that there exists circumstances justifying refusal of permission.

Provided that if the Competent Authority proposes to differ with the inspection report recommending grant of permission, it shall be obligatory for him to give reasonable opportunity of hearing to the applicant, before taking final decision of refusal.

- (2) In case the Competent Authority decides to grant permission, it shall initially accord letter of intent, subject to fulfillment of such conditions as may be prescribed in the stipulated time. However, this shall in no case extent beyond 31<sup>st</sup> May of the concerned year. The concern education agency shall inform the Competent Authority about having taken care of the deficiencies enumerated in the letter of intent. Further, the said agency shall request for a final inspection, to grant permission for starting the institution from the ensuing academic session. Thereafter, the educational institution shall approach the concerned University for affiliation immediately after procuring the permission of the Competent Authority.
- (3) In case the educational agency requests for relaxation in time to fulfill the requirements, then it shall be at the discretion of the Commissioner of Higher Education to do so after getting a report from a person or persons appointed for the purpose by the Competent Authority.

However, the Competent Authority shall direct the person or persons appointed to submit a report every year regarding the fulfillment of progress of the concessions granted for the said purposes and incase the progress is not found satisfactory continuously for three years the permission granted shall stand withdrawn forthwith by issuing notice.

**13. No permission for up gradation:**

No permission shall be granted for the establishment of an educational institution by way of upgradation of a higher secondary school into degree college; however, with the prior approval of the Commissioner of Higher Education, it can be permitted to be established within the premises of an existing institution provided the educational agency is

**14. Application for initiating further new courses, faculties and classes:**

prepared to provide the prescribed requirements like accommodation, furniture, library, laboratory and other facilities exclusively for the proposed class or category of institution.

No application for initiating further new courses, faculties and classes will be considered until the end of the third year from the date of incorporation of the newly established institutions.

However, the Competent Authority may accord permission for opening additional sections or courses subject to the availability of various physical facilities like accommodation etc, required for the proposed additional sections or courses after three years from the date of incorporation.

**15. Special Incentives in certain cases:**

The Competent Authority on application from the educational agency for cases cited under section 10 (1) shall, -

- (1) Grant concession of 50% on value of immovable properties or corpus fund fixed as a norm in general cases for a period not exceeding three years from the date of granting permission by the Government in cases where, -
  - (i) the institution proposed is being established in a notified rural tribal area ; and
  - (ii) no institute of higher education, general or vocational, within radius of 20 km. of the proposed location. However, an application for obtaining the rebate mentioned herewith shall have to be made by the respective management committee.
- (2) The Government, in cases of the tribal blocks and of the notified blocks where facilities for higher education do not exist within a radius of 50 km may further consider proposal for opening of or running a new college within the premises of any existing higher secondary school either owned by the Government or by a private body, duly registered in accordance with the provisions of the said Act, subject to the conditions that-
  - (i) accommodation, furniture and other educational facilities are available;

(ii) permission from such existing institution as is aforementioned in sub-section (1) is produced with the proposal.

(3) Moreover, the Government may consider giving concessions for the following, provided the educational agency has at least 15 acres of land registered with the society, however, if the area where the institution is to be opened is in tribal areas then at least 5 acres of land should be registered with the society;

- (i) 50% of the total expenditure for administrative buildings, class rooms, hostels, sports complex, and laboratory, as per the estimate of public works department or any approved agency by the State or Central Government and the buildings being constructed by public works department;
- (ii) 100% of the salary of the teachers appointed as per University Gant Commission norms which shall be mandatory initially for a period of ten years;
- (iii) 50% of the cost of equipments purchased for vocational courses started;
- (iv) 100% of the cost of relevant course books purchased for vocational courses;

However, the above concession shall not be applicable for institutions that want to run traditional courses.

Further more, a committee whose chairman shall be the collector of the district under which the institution falls shall nominate the concession enumerated above. The issuance of the concession granted every year shall only after the receipt of the utilization certificate counter signed by the chairman of the monitoring committee.

**16. Permitted institutions to seek affiliation from concerned University:**

The institution having obtained the permission from the Government shall not commence their academic curriculum unless they get affiliations from the concerned University.

**17. No affiliation without permission**

Notwithstanding anything contained to the contrary in any law, the University shall not grant affiliation to any institute without permission or approval of the Department of Higher Education. Further, the University shall send a copy of the affiliation order to the Commissioner of Higher Education for information.

**18. Restriction on shifting and transfer of permitted institutions:**

(1) No institution for which permission to establish has been granted to meet the educational needs of a particular area, shall be permitted to be shifted to another area.

However, it shall be permissible to shift the institution from one building to another within the same vicinity for the purpose of providing better accommodation or shifting into own building with the prior permission of the Government.

(2) Any unauthorized shifting of the institution shall render automatic withdrawal of the permissions granted to the institution, without any further notice.

(3) The educational agency, for which permission to establish an institution has been accorded shall not transfer the institution to another educational agency under any circumstances.

**19. Withdrawal of Permission:**

(1) Where the management of any educational institution contravenes any of the provisions of this act and the rules framed there under; the Competent Authority may, for reasons to be recorded in writing withdraw the recognition of the institution or take such other action as is deemed necessary after giving to the management an opportunity of making representation against such withdrawal or action.

(2) Where the Government is of opinion that the permission granted to any educational institution in public interest, be withdrawn, it may, after giving one month's notice to the management of such institution to make any representation, withdraw by

notification, the permission granted to the said institution.

(3) The Competent Authority shall withdraw permission granted to the private educational institution permanently or for any specific period as may deem fit, when an institution, including a permanently recognized/affiliated institution, in the opinion of the Competent Authority, has failed to fulfill any of the conditions.

**20. Control over Examination system:**

The examination system whether by internal assessment, external assessment or partly internal or partly external, shall be regulated by the rules prescribed in the interest of making it reliable and effective method for student evaluation.

**21. Restriction on change of nature:**

Under no circumstances women's institution shall not be allowed to be converted into co-educational or boys' institution and vice-versa without the permission of State Government.

**22. Regulation of Admission:**

(1) The application prescribed for admission of students and the advertisement calling for the application shall contain the particulars of order under which the institution has been established.

(2) The admission of students into various courses shall be as per the rules of admission prescribed by the University concerned, from time to time.

(3) In no case the intake of student shall exceed the prescribed limits of strength. The principal of the institution shall be personally liable for violation of the rules of admissions.

**23. Fee Structure:**

(1) The Government shall constitute a permanent standing committee comprising of seven members of which the Commissioner of Higher Education shall be the chairman, Additional Director of Higher Education member-secretary, one member of the management, the principal of college, one principal of the government colleges, one principal of non-government colleges, and one educationist to be nominated by the Government for fixing and regulating the fee structure.

(2) The standing committee while deciding the fee structure shall take into account the incentives given by the Government to the institution.

*24. Restriction on commercial use of land and building:*

No income through commercial use of the land or building shall be allowed, where the government has provided the aid, in whatever shape, to acquire the land or construction of building or both thereon without the permission of the State Government.

*25. Restriction on use of Income:*

Any income from the funds raised for the specific purposes shall be used for the purposes concerned only and no part of it shall be allowed either to spend elsewhere or to invest it commercially.

However, use of remains of such funds can be permitted, on application and after due inspection of records, towards meeting out the deficit in pension funds in salary aided colleges or, for meeting out the deficit in payment of the salaries to regular teaching staff in non-aided colleges.

*26. Constitution of permanent cell*

A permanent cell shall be constituted at the Directorate of Higher Education under an officer not below the rank of Additional Director to handle all the affairs pertaining to private institution. The Additional Director so appointed shall be the member-secretary of the standing committee constituted for fee structure.

**CHAPTER - III**

**RECRUITMENT, PROMOTION AND SERVICE CONDITIONS ETC.**

**OF**

**TEACHERS AND EMPLOYEES IN AIDED INSTITUTIONS**

*27. Recruitment of teachers and employees:*

Recruitment to the post of a teacher or other employee of an institution shall be made —

(1) with prior permission from the State Government and in accordance with the provisions of College Code Statute No. 28.

However, the application for permission shall be routed through the concerned University.

(2) the Government shall have no objection, if the college recruits teachers out of the resources for the institution. Under no circumstances such posts

shall be transferable to the general posts already sanctioned by the Government.

**28. Promotion :**

The affiliating University shall take appropriate steps in the matters pertaining to placement or promotion of teachers as per the provisions of College Code Statute No. 28 from time to time.

However, these placement/promotions shall be subjected to the approval of the Commissioner of Higher Education who shall further take the concurrence of the finance department of the Government. The committee constituted for this purpose shall have one member of the Government to be appointed by the Commissioner of Higher Education.

**29. Service conditions:**

The University shall review the service conditions of the employees of these aided institutions at least once in three years and inform the government from time to time about the outcome of the review.

**CHAPTER- IV**  
**GRANT-IN - AID**

**30. Grant-in-aid:**

- (1) Grant-in-aid shall be provided to recognized educational institutions under private management, subject to the conditions hereinafter specified and with due consideration of the requirements of each locality.
- (2) The grants can be sanctioned for-
  - (i) maintaining the salary and allowances in aided institution.
  - (ii) building
  - (iii) instruments or land
  - (iv) other allied purposes to such extent and within such limits and with such conditions as may deem fit to the Government.
- (3) Government decision on Grant-in-aid shall be final and shall not be challengeable in any court of law.

**31. Types of Grant:**

- (1) Maintenance grant is a recurring grant provided for payment of the salaries to such employees (including teachers) of the non-governmental institutions as were appointed with the concurrence of either Higher Education Department of Madhya

Pradesh Government or Madhya Pradesh Uchcha Siksha Anudan Aayog prior to the commencement of the said Act.

(2) Ad-hoc Grant is a non-recurring grant to be provided for such non- aided colleges, as have been running successfully with good record for five years, prior to submitting application for the assistance.

**32. Application for grant:**

The sanctioning authority may consider application for the grants available for the non-governmental institution, provided that; -

- (i) the institution applying for a specific grant has been registered as a society under the Registrikan Adhiniyam in force and has been duly recognised by the Government under the concerned laws for eligibility to the grant;
- (ii) the institution has been in existence and running for not less than five years in case of the ad-hoc grants and ten years of its establishment in case of maintenance grants;
- (iii) the application for grant is for such purposes only as have been provided by the Government;
- (iv) the application for grant is not associated with promotion of any sectional interest, based on a particular caste, creed or community;
- (v) the institution has no such antecedents, which render it ineligible for the assistance in its record;
- (vi) the number of students enrolled in and benefited by the institution.

**33. Form and declaration for grant:**

Every application for the sanction of grant shall be made to the Government, in such form as may be prescribed, together with a declaration signed by management of the recognized institution to the effect,-

- (i) that the conditions of recognition and of grant are being and shall continue to be fully observed;
- (ii) that all facilities for inspection of that institution, its accounts, registers and other records relating to the purpose shall be provided as and when required; and

(iii) that all the returns and reports prescribed in this behalf submitted to the Competent Authority within the time specified by it.

**34. Sanctioning authority for grant:**

Except in cases where reference to Government is required, the Commissioner of Higher Education shall sanction grants to be paid from state funds.

**35. Restrictions as to the assistance-grant on salary:**

The assistance grant on salary for the educational staff of aided college, shall be limited to such courses and subjects pertaining to general education only, as are provided in the government colleges and as are recognized by the Department of Higher Education.

However, if the aided colleges wish to start any new course other than the existing courses, it shall do so out of its own resources raised for the purpose.

**36. Audit:**

The accounts of every institution receiving aid from Government, shall be subject to audit and it shall be open to the Commissioner, to decide in respect of each institution whether such audit shall be carried out by the auditors of his department or by outsiders and how often and at what intervals such audit shall be carried out. The auditors deputed by the Commissioner shall be given full access to all registers, records, account books etc. that the auditors find it necessary to be perused to a satisfactory discharge of their duties.

**37. Power to withhold, withdraw, reduce, suspend, or recover the grants:**

The Government may after necessary investigation withhold, withdraw, suspend, reduce the grant, or to recover the amount under objection, and to vest into the Government, the property created out of grants, -

- (i) if the institution concerned fails to fulfill all or any of the conditions of recognition or aid; or
- (ii) it refuses admission to any student on the ground of caste or community to which the student belongs; or
- (iii) if the management or any of the teachers employed in the institution takes part in political agitation directed against the authority of Government; or inculcates opinions tending to excite feelings of disharmony or disaffection amongst the students; or
- (iv) if the institution, directly or indirectly, encourages propaganda calculated to bring in hatred, ridicule

or contemptuous of the beliefs and practices of any religion; or

(v) if there is violation of any orders of the Commissioner with regard to the employment of any teacher whose certificate has been cancelled or suspended after due enquiry or who after due enquiry has been considered by him to be unfit or undesirable to be a teacher; or there is falsification of registers, or misuse of special fee collections or other funds for purposes other than those for which they are collected or there is misrepresentation regarding fees; attendance or mass copying has been reported by the University or other matters or other proved fraud or irregularity; or

(vi) if the institution concerned fails to disburse the salaries of teachers and employees as per University Grants Commission scales and State Government or wilfully violates the instructions of the Government in carrying out its directives given or fails to submit the quarterly report as to the number of students enrolled, the curriculum completed as per schedule, the utilization certificate of the grant disbursed for the said purpose to the Commissioner of Higher Education; or

(vii) if the grant provided is used for the purposes other than those for which they have been sanctioned.

**38. Lapse of grant:**

The eligibility of an institution for purposes of aid from state funds shall cease automatically if the recognition of that institution is withdrawn and such ineligibility shall take effect from the date, from which the withdrawal of recognition takes effect. Subject to this condition, an institution, which works throughout a financial year or for a part of a year, shall be eligible for grant of such period whether or not it works beyond that period.

**CHAPTER -V**  
**INSTITUTIONAL FUNDS, ACCOUNTS AND PROCEDURE FOR**  
**PAYMENT OF SALARIES IN SALARY AIDED COLLEGES**

**39. Existing set up  
to be preserved:**

The existing number of posts of teachers and other employees sanctioned by the Government or created with the approval of the Government in a salary-aided non-government educational institution under any law in force immediately before the commencement of the Act shall not be decreased or increased without the concurrence of the State Government.

**40. Educational Institution  
Grant-in- aid not to  
be discontinued:**

Notwithstanding any thing to the contrary, any educational institution under private management which has been in receipt of grant-in-aid in shape of maintenance grant from the Government under any law in force before the commencement of the Act shall continue to receive such grant-in-aid without any abatement or diminution of any kind whatsoever, provided it fulfills the conditions laid down in section 5.

**Explanation:** "Maintenance Grant" or salary grant shall mean and include the grant payable to the teachers and employees of the college by the State Government towards their salary, dearness allowance, other allowances etc. under the existing provisions.

However, the teachers working in such subjects, courses and faculties which also run under the Department of School Education, the same scales will be effective which is effective to the teachers of the same subjects, courses and faculties of Department of School Education, even if, the college has taken permission from the Department of Higher Education or M.P. Uchha Shiksha Anudan Ayog to start such subject, courses and faculties in the college concerned. This provision shall be deemed to come in force from 1<sup>st</sup> November, 2000.

**41. Payment of dearness  
allowances:**

- (1) In case where the managements of aided educational institutions do not pay dearness allowance at rates notified by the Government for the staff in such institutions the Commissioner, shall carry out investigation into the financial position of the institution and if, after such investigation he is satisfied that the managements

can afford to pay the allowance at Government rates, shall direct the management concerned to pay the allowance at Government rates.

(2) If after the issue of such a direction, the managements receiving grants from state funds do not pay the allowance at Government rates, the grant payable to them may be withheld either in full or in part.

**42. Management of institutions receiving grant:**

Every institution receiving grant shall be under the management of one or more persons recognized by the department who in the capacity of proprietors, trustees or members of committee elected by the society or association by which the institution is maintained, shall undertake or be answerable for the maintenance of the institution and the fulfillment of all the conditions of recognition and aid including the due enforcement of such rules of discipline as are prescribed from time to time.

**43. Constitution of Institutional fund:**

A separate account shall be opened in a treasury or sub treasury of the area where the institution is situated, for each institution under the head provided as per the rules for the purpose of payment of the salary of the teachers and employees in which the institutional fund for the institution shall be deposited.

For the purpose of operation of the account opened under the provisions of the Act, the provisions of Chhattisgarh Treasury Code shall apply *mutatis-mutandis*.

The institutional-fund shall be operated jointly by a representative of the institution nominated by its management and the Commissioner of Higher Education or his nominee, under the rules framed by the Government under the said Act on certain conditions as may be prescribed in the rules the State Government may issue, an order authorizing the Commissioner or his nominee to operate the account singly for such period as may be specified in the order.

**45. Pass Book:**

(1) The principal of the institution, who shall send the pass book to the treasury or sub treasury in the last week of every month so that the entries may be made therein, shall maintain the pass book of the account of every institution.

(2) The pass book shall be sent to the treasury or sub-treasury in the last week of April in every financial year for making entries pertaining to the financial year ending on 31<sup>st</sup> March. The principal shall tally the balance in the account as on 31<sup>st</sup> March with the account maintained by him. If any discrepancy is found it shall be removed by reconciliation with the accounts maintained by treasury or sub-treasury.

**46. Teachers and other employees to open two accounts:**

All such teachers and other employees of the institution, who are on approved roll of the Government and the University Grants Commission for grant-in-aid as salary, shall open two accounts each in any nationalized Bank or post office convenient to them and specified by the Government for payment of salary. Out of these, the amounts of their salary shall be deposited in one account and the amount of their provident fund shall be deposited in the other account.

However, it shall be the responsibility of the management to disburse the salaries to all the categories of employees latest by last day of every month and shall not be later than 5<sup>th</sup> of the ensuing month under any circumstances. A communication having complied with the above provision shall invariably be sent to the Commissioner of Higher Education by 10<sup>th</sup> of every month failing which it shall call for stringent action against the management as per prescribed rules.

**47. Checking of bills prior to signatures:**

The pay bill and the treasury cheque issued thereon will be signed by the authorized nominees by the management and the Department of Higher Education on their respective behalf, after being duly checked as per rules by the later; the authorized signatory of the Department of Higher Education prior to signing the pay bill of the institution shall ensure that statement of the fees collected in the previous months is enclosed in duplicate and also that the amount due to be deposited on this account has been deposited with the treasury or sub treasury. Any discrepancy noted, while checking the bill or the cheque by the nominee of the higher education department will have to be removed by the institution before the cheque is executed.

**48. Provision for pay****slip to teachers****and employees:**

A pay slip shall be issued to every teacher or employee each month by the principal, wherein the pay and allowances for the salary month, the deductions made from his salary and the amount deposited in his bank account will be shown.

**49. Fees:**

Out of the total amount of the fees recovered by the management at the specified standard rates under the Act, fifty percent will be earmarked to meet the expenses of the institution and the remaining fifty percent shall be deposited with the treasury or sub treasury by the last date of every month by adjustment or by the *challan* in accordance with the rules thereon.

**50. Account of fees****retained to be****maintained separately:**

The account of fees retained by the institution after depositing 50 percent of the amount of fees with treasury or sub treasury shall be maintained separately. The principal shall be responsible for maintaining this account.

**51. Maintenance of account-books:**

Cashbook, treasury cheque books, and account books relating to salaries and fees, vouchers and other papers relating to payment of salaries and fees of the institution and all other details of transaction as may be prescribed shall be kept in the custody of the principal of the institution. The responsibility of maintaining the accounts shall be of the principal and he shall make all books relating to accounts and all other papers available at the time of audit.

**52. Annual audit of Accounts:**

The accounts of every educational institution receiving grants out of state funds shall be inspected and audited at the end of every financial year by the auditors deputed by the Department of Higher Education. The management is required to submit the financial statement with supporting statements as prescribed under the rules to the Commissioner not later than the first of May of every year.

**CHAPTER - VI**  
**ON CLOSURE, REQUISITION OF PROPERTY AND MANAGEMENT OF  
AIDED COLLEGES.**

**53. Non-Government institution not to be closed down, etc. without notice:**

Save as otherwise provided in the said Act, no non-government institution in full or in part shall be closed down or discontinued, unless a notice of not less than one academic year expiring with the end of any academic year and indicating the intention to do so, has been given by the management to the Competent Authority.

**54. Management to hand over properties records etc. to competent authority on closure, etc. of non-government Institution:**

In the event of the institution being closed down or discontinued or its permission and recognition being withdrawn, the management shall hand over or cause to be handed over to the Competent Authority the custody of all the properties, records and accounts of the institution in their possession.

**55. Restriction on alienation of property of non-government institution:**

- (1) Notwithstanding anything contained in any law for the time being in force no sale, mortgage, lease, pledge, change or transfer of possession in respect of any property of a non-government institution shall be made on creation except with the previous permission in writing of the Competent Authority on an application made in this behalf.
- (2) (a) No permission applied for under sub-section (1) shall be refused by the Competent Authority except where the grant of such permission will in its opinion, adversely affect the working of the institution;
  - (b) The Competent Authority shall pass an order, either granting or refusing permission applied for within a period of sixty days from the date of receipt of the application;
- (3) Any person aggrieved by an order refusing permission under sub-section (2) may in such manner and in such time as may be prescribed, appeal to the prescribed authority.
- (4) Any transaction made in contravention of sub-section (1) shall be deemed null and void.

प्रमाणित  
वार्ता  
प्राप्ति  
प्राप्ति  
प्राप्ति  
प्राप्ति

**56. Permission to alienation:**

The Government may, by order in writing, permit the transfer of any such land or building subject to such conditions as they may impose, if:

- (1) The transfers made in furtherance of the purposes of the educational institution or of ancillary purposes approved by the Government, and the proceeds of such transfer are to be wholly utilized in furtherance of the said purposes;
- (2) The transfer is made only in part in furtherance of the purpose aforesaid, provided repayment is made to the Government of such portion as the Government may direct;
- (3) The transfer is made for any other valid reason, provided repayment is made to the Government in full of the grant provided under the said Act;

**57. Liability of management to repay debts incurred in certain cases:**

Where any management incurs debts for the purpose of running an educational institution without proper authorization by the management of such institution and where it is found by the Competent Authority after making an enquiry that the money received through such debts have not been utilized for running the institution, it shall be the personal liability of such management to discharge the said debts.

**58. Furnishing of returns etc.**

Every educational agency shall within such time or within such extended time as may be fixed by the Competent Authority in this behalf, furnish to the Competent Authority such returns, statistics and other information as the Competent Authority may, from time to time, require.

**59. Powers of entry and inspection and calling for information:**

The Competent Authority may, for the purpose of requisitioning or acquiring any property under this chapter, by order,—

- (a) empower any authority to enter and inspect any property specified in the order liable to be requisitioned or acquired under the said Act;
- (b) require any person to furnish to such authority such information in his possession relating to the property as may be specified in the order.

**60. Posts of employees of educational institutions under vested under this chapter purposes of to be treated as a unit for certain purposes:**

The posts in each category of employees of the educational institutions, which have been vested in the Government under this chapter shall be a separate unit for seniority, discharge, reversion, for want of vacancies, reappointment of probationers and approved probationers and appointment of full members.

## **CHAPTER-VII**

### **AD-HOC ASSISTANCE GRANT TO NON-AIDED COLLEGES**

**61. Ad-hoc Grant:**

Ad-hoc Grant means the non-recurring grant set apart annually out of the State Fund of the Government meant to assist such recognized non-aided institutions of higher education as may, subject to the conditions laid down hereunder, qualify for the assistance for the following purposes,-

- (i) Extension of building particularly for toilets, washes, reading room, library, laboratories, girls common room and staff room;
- (ii) Purchase of apparatus and instruments for educational or technical purposes;
- (iii) Purchase of books of original referential value;
- (iv) Purchase of racks and almirahs for the library;
- (v) Purchase of computer and advanced teaching aids, for providing facilities of purified drinking water or for water supply and drainage system;
- (vi) Furniture for the classrooms.
- (vii) For purposes under sub-section (3) of Section 15.

Provided that the grant shall not be admitted to fulfill the basic conditions laid down for establishment of a new college and shall be used only for enhancement of the facilities available and to fulfill the requirements of the existing institution.

The institution intending to apply shall have,-

- (a) completed a period of five years since the session from which students were admitted for the first year of the faculties provided;

**62. Eligibility for ad-hoc grant:**

- (b) a strength of students not less than,-
  - (i) three hundred in case of urban areas
  - (ii) one hundred and fifty in case of scheduled areas, girls' colleges and the areas where there is no such institution of higher education within the radius of 25 km.
- (c) been paying the salaries for academic staff as per University Grants Commission scales to the extent possible and Government scale for non-teaching staff;
- (d) a copy of the salary statement of both academic and non-academic staff as proof of evidence in order to qualify for ad-hoc grant.

**63. Disqualification:**

- (a) failed to comply with any of the conditions provided under this act or any other law;
- (b) been charged for mass copying by the University or the Commissioner or for any such misconduct which bears on the reputation of the institution concerned;

shall not be eligible for ad-hoc assistance grant.

**64. Priority :**

The priority in consideration of grants shall be given to the institutions,-

- (a) from schedule areas;
- (b) for education exclusively for women;
- (c) from such notified blocks, where there is no facility whatsoever of higher education;
- (d) which have been established under the public-private partnership in management with at least 30% of the movable and immovable property having been provided in the shape of public share of the properties of the institution;
- (e) which are established for; and running with, the complete range of vocational or applied subjects and courses.

**65. Limitations to Ad-hoc Grant:**

- (1) The Government may sanction grant up-to Rs.5 lacs as the maximum limit subject to the condition that not more than Rs.2 lacs shall be sanctioned for any single item;
- (2) An institution to which a grant has been sanctioned shall not be eligible to apply for the next

grant until expiry of the three completed years from the date of sanction of the grants;

- (3) The amount of sanction shall be decided by the Department or Government on the basis of eligibility and justification of the proposed plan submitted by the institution along with the application;
- (4) The Government shall have the exclusive right to decide the size, shape and amount of the grants;
- (5) The Government shall have the power to accept or reject partially or in full the application without assigning any reason and such decision shall be final.

**66. Application for the Ad-hoc Grant:**

Any institution fulfilling conditions laid down for ad-hoc grant may apply in prescribed form addressed to the Commissioner of Higher Education by 31<sup>st</sup> of October.

**67. Liability on accepting Ad-hoc Grant:**

Subject to the provisions of the Act,-

- (1) For making purchases the Bhandar Kraya Niyam 2003 of the Government shall be made applicable.
- (2) A separate register for inventory shall be maintained for the ad-hoc grants wherein entry on all the expenditures must be recorded.
- (3) Vouchers and other documents related to the ad-hoc grant shall be preserved separately and should be presented before the auditors of the department and inspection authority as and when asked for.
- (4) Use or Expenditure of the amount sanctioned as ad-hoc grant shall be restricted to the approved plan or items permitted by the Commissioner of the Higher Education on sanctioning the grants.
- (5) The property created out of the ad-hoc grant or the items purchased there from or are subject to physical verification by the authorities of the Government.
- (6) The ad-hoc grant shall not be used for payment of salaries etc. or for any other purposes except those for which it has been sanctioned.
- (7) Statement of expenditure on use of the ad-hoc grant along with the vouchers and audited account shall be sent by the institution to the Commissioner with

in three months of the expiry of the period permitted for use of the grant in the sanction order.

(8) The sum or amount which remains unspent, shall be returned immediately within the period specified under sub-section (7) of this section by the institution to the Government.

### **CHAPTER -VIII**

#### **MISCELLANEOUS PROVISIONS**

##### **68. Power to make rules:**

(1) Subject to the provisions of the Act, the Government may by notification make rules to carry out all or any of the purposes of the said Act.

(2) In particular and without prejudice to the generality of foregoing subsection such rules may provide for,-

- (i) the manner in which in any enquiry under the Act shall be held;
- (ii) the registers, statements, reports, returns, budgets and other information to be maintained or furnished by approved colleges for the purpose of the Act;
- (iii) the establishment of maintenance and administration of educational institution;
- (iv) the recognition to educational institutions and the conditions therefor;
- (v) regulating the rates of fees, the levy and collection of fees in educational institutions;
- (vi) the manner in which accounts, registers, records and other documents shall be maintained in the educational institutions and the authority responsible for such maintenance;
- (vii) the inspection of educational institutions and the officers by whom inspection shall be made;
- (viii) the mode of keeping and the auditing of accounts of such institutions;
- (ix) the standards of education and courses of study in educational institutions;

the grants of sums by the Government to educational institutions towards providing scholarships, bursaries, fee concessions etc;

- (xi) the preparation and submission of development plans for educational institutions in general education and the contents of such plans;
- (xii) the powers and the functions of the officers and other subordinate staff of the Higher Education Department;
- (xiii) the preparation and sanction of building plans and estimates of the educational institutions and the requirements to be fulfilled by the building for the educational institutions maintained by the local authorities and private institutions;
- (xiv) the purposes for which the premises of the educational institutions may be used and the restrictions and conditions subject to which such premises may be used for any other purpose;
- (xv) the regulation of the use of text books, maps, plans, instruments and other laboratory and sports equipment in the institutions;
- (xvi) the regulation for admission into educational institutions of students for the academic course, private study and other special courses and the attendance there at;
- (xvii) the qualifications necessary and other conditions to be fulfilled for appearing at the examinations conducted by the authorities under the Act and the method of valuation or revaluation of answer scripts;
- (xviii) the manner of conduction of the class and terminal examinations within the institution;
- (xix) the conditions subject to which donations or contributions from the public may be accepted by the educational institutions and the naming of institutions;
- (xx) the conditions for co-education in the educational institutions and the regulation of

the conduct and discipline of the students and the penalty for misconduct or indiscipline;

(xxi) the manner of service of notices, orders and other proceedings, of presenting appeals or applications for revision or review and the procedure for dealing with them and the fee in respect thereof;

(xxii) the scale of fees or charges or the manner of fixing fees or charges payable in respect of any certificate or other document for which such fees may be collected;

(xxiii) the constitution of educational councils at the state level, their composition and function;

(xxiv) all matters expressly required or allowed by the said Act to be prescribed or in respect of which the said Act makes no provision or makes insufficient provision and a provision is, in the opinion of the Government, necessary for the proper implementation of the said Act.

**69. Inspection of Educational Institutions:**

- (1) The Government or the Competent Authority may authorise any officer not below such rank as may be prescribed to inspect any educational institution in the state.
- (2) The officer authorised under sub-section (1) shall exercise general powers of inspection over the working of the educational institution.
- (3) The management and the employees of the educational institution shall at all reasonable times be bound to afford to the aforesaid officer all such assistance and facilities as may be required for the purpose of such inspection.
- (4) The management shall comply with such directions or suggestions as may be given provided that the management aggrieved by any such direction or suggestion may appeal, within thirty days from the date of receipt of such direction or suggestion to the prescribed authority whose decision on such appeal shall be final.

**70. Laying down of rules in certain cases:**

Any rule may be made under the said Act with retrospective effect and when such a rule is made, the reasons for making the rule shall be specified in a statement to be laid before the State Legislature.

**71. Protection of acts done in good faith:**

No suit, prosecution or other legal proceeding shall be instituted against the Government or any officer, authority or person empowered to exercise the powers or perform the functions by or under the Act for anything which is in good faith done or intended to be done under the said Act or under the rules or orders made there under.

**72. Savings and repeal:**

The provisions of the Act shall have effect notwithstanding any matter to the contrary contained in any other Acts, rules or orders on the subject for the time being in force.

Provided that the Acts and rules governing the establishment, management and functions of the non-government colleges and prevailing on the date of incorporation of the Act, so far as they, are applicable to various categories of non-governmental institutions in higher education, shall continue to be in force to the extent they are in confirmation of the provisions of the Act.

Notwithstanding anything contrary contained in the Act, the State Government may by general or a special order subject to such conditions, if any, as it may deem fit to impose or exempt any institution or class of institutions from all or any of the provisions of the Act.

Provided that any such order shall specify the ground for imposition or exemption mentioned under the aforesaid provision.

Any sum, which is required to be credited by the management of any institution to the institutional fund under the provision of the Act may if not credited to the said fund within the period specified therein, shall be recovered from the management of such institution in the same manner as an arrear of land revenue.

If any difficulty arises in giving effect to the provisions of the Act the State Government may, by order, not inconsistent with the provisions of the Act remove the difficulty.

Provided that no such order shall be made after the expiry of a period of two years from the commencement of the Act.